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FM AMEMBASSY RIYADH
TO RUEHC/SECSTATE WASHDC PRIORITY 5401
INFO RUEHGB/AMEMBASSY BAGHDAD PRIORITY 0562
RUEHWR/AMEMBASSY WARSAW PRIORITY 0056
RUEHJI/AMCONSUL JEDDAH PRIORITY 8697

CONFIDENTIAL RIYADH 001036

STPDTS

SIPDIS

E.O. 12958: DECL: 05/16/2017 TAGS: <u>PGOV PREL EFIN ETRD SA</u>

SUBJECT: POLISH FOREIGN MINISTER SUPPORTS IRAQI EFFORTS BUT

DEBT FORGIVENESS NOT AN OPTION

REF: SECSTATE 64773

Classified By: Ambassador Ford Fraker for reasons 1.4 (b) and (d).

- 11. (C) Polish Foreign Minister Anna Fotyga met with the Saud Minister of State for Foreign Affairs Dr. Nizar Madani, Shoura Council Chairman Dr. Saleh bin Humaid, Deputy Minister of Oil Prince Abdul Aziz bin Salman, and Deputy Minister of Commerce Abdullah al Hammoudi during her May 9 visit to Riyadh. The visit centered on a number of issues pertaining to the bilateral relationship, as well as on regional issues vis-a-vis the Gulf Cooperation Council (GCC).
- 12. (C) During the Foreign Minister's visit a memorandum of understanding (MOU) on bilateral political consultations between the Saudi and Polish foreign ministries was signed. The objective of the MOU is to enhance economic trade between the two countries. To this end, the Saudi Ministry of Commerce and Industry plans to send a delegation of Ministry officials to Poland later this year to explore trade with and investment in the Polish market.
- 13. (C) Fotyga told the Ambassador at a May 9 reception that Poland would not be able to forgive Iraqi debt because it would put Poland outside the debt ratios allowed by member states of the European Union (EU). (Note: This statement is unclear and could be an excuse. End Note.) However, Fotyga stated that Poland could still support the Iraq government with troops and financial aid (reftel).
- 14. (C) Polish Ambassador Adam Kulach confirmed with PolOff on May 16 that Poland could not provide debt relief to Iraq at the moment; however, added that Poland has not abandoned debt forgiveness altogether. He expressed his personal, unofficial opinion that the Foreign Minister made the statement to the Ambassador because: (1) there are legal constraints preventing his government from providing debt relief to Iraq due to EU commitments; and (2) Poland does not want to unilaterally forgive Iraqi debt but would consider pursuing it as a bilateral measure where Poland would gain economic privileges in return for debt forgiveness. Ambassador Kulach did not indicate a time frame for when Poland would seek bilateral discussions on this issue; however, he did emphasize that this information was for the USG only and was not to be shared with other governments.
- 15. (C) Ambassador Kulach also said that King Abdullah will attempt to visit Poland this year. Last year's planned visit was canceled due to the Lebanon conflict.
- 16. (C) COMMENT: Ambassador Kulach clearly had a message to share with the USG. PolOff was scheduled to meet with a working level contact on this issue; however once at the Embassy, he was met instead by Ambassador Kulach, who

delivered a thorough and seemingly prepared statement on the Iraqi debt relief issue. END COMMENT. FRAKER